Government of Saskatchewan

Annual Report 2001-2002

Saskatchewan Northern Affairs

102-07111/

Annual Report 2001-2002

Saskatchewan Northern Affairs

For the fiscal year ending
March 31, 2002.

Table of Contents

Letters of Transmittal. 4

Map of the Northern Administration District (NAD) 5

Organization Chart 6

Saskatchewan Northern Affairs Overview 7
- Organization and Structure 8
- Next Sections 8

Economic and Community Development Division:
- Northern Development Fund 9
  - Loans 9
  - Grants 10
  - Centenary Fund 12
  - Community-based Regional Economic Development Organizations (CREDOs) 12
  - Northern Review Board 13
- Commercial Fishing:
  - Freight Subsidy and Price Support Program 13
  - Commercial Fisheries Revitalization Strategy 14

Resource and Industry Development Division:
- Northern Resource Development:
  - Mineral Surface Lease Agreements 15
  - Northern Labour Market Committee 16
  - Mineral Sector Multi-Party Training Plan 17
  - Forestry Development 18
  - Special Projects 19
  - Resource Development Coordination 19
- Northern Development Ministers' Forum 20
- Environmental Quality Committee and Northern Mines Monitoring Secretariat 21
  - Accomplishments of the Northern Mines Monitoring Secretariat 22
  - Accomplishments of the Environmental Quality Committees 22

Corporate Services Division
- Communications 24
- Administration 24
- Information Technology 24

Policy, Planning and Research Division
- Northern Strategy 25
- Interdepartmental Policy Coordination 26
- Strategic Planning 27

Financial Report 28
- Financial Report Notes 29

Contact Information 29

2002 – 2003 Performance Plan – Saskatchewan Northern Affairs
Overview 30
2002 – 2003 Budget Overview 30
Trends and Issues 30
Vision & Goals 32
Goal 1 33
Goal 2 34
Goal 3 35
Contact Information 36

Glossary

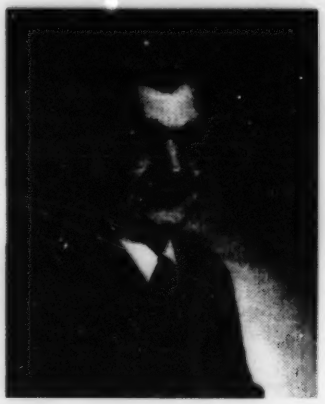
CEM ..... Cumulative Effects Monitoring Program
CREDO ..... Community-based Regional Economic Development Organization
EIS ..... Environmental Impact Statement
EQC ..... Environmental Quality Committee
INDB ..... Interim Northern Development Board
MPTP ..... Multi Party Training Plan
NAD ..... Northern Administration District
NDF ..... Northern Development Fund
NLMC ..... Northern Labour Market Committee
NMMS ..... Northern Mines Monitoring Secretariat
NRB ..... Northern Review Board
PBCN ..... Peter Ballantyne Cree Nation
PSEST ..... Post Secondary Education & Skills Training
SERM ..... Saskatchewan Environment & Resource Management
SNA ..... Saskatchewan Northern Affairs

Letters of Transmittal

The Honourable Lynda Haverstock
Lieutenant Governor
Province of Saskatchewan

Dear Madam:

I respectfully submit the Annual Report of the Office of Northern Affairs for the fiscal year ending March 31, 2002.



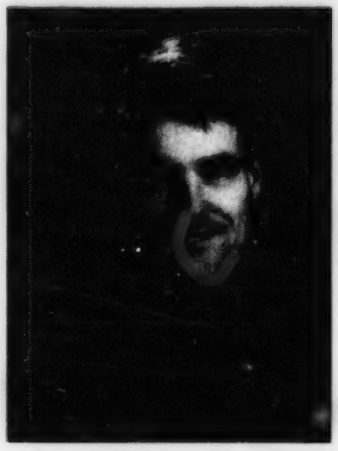
Buckley Belanger
Minister of Northern Affairs

The Honourable Buckley Belanger
Minister of Northern Affairs
Regina, Saskatchewan

Dear Sir:

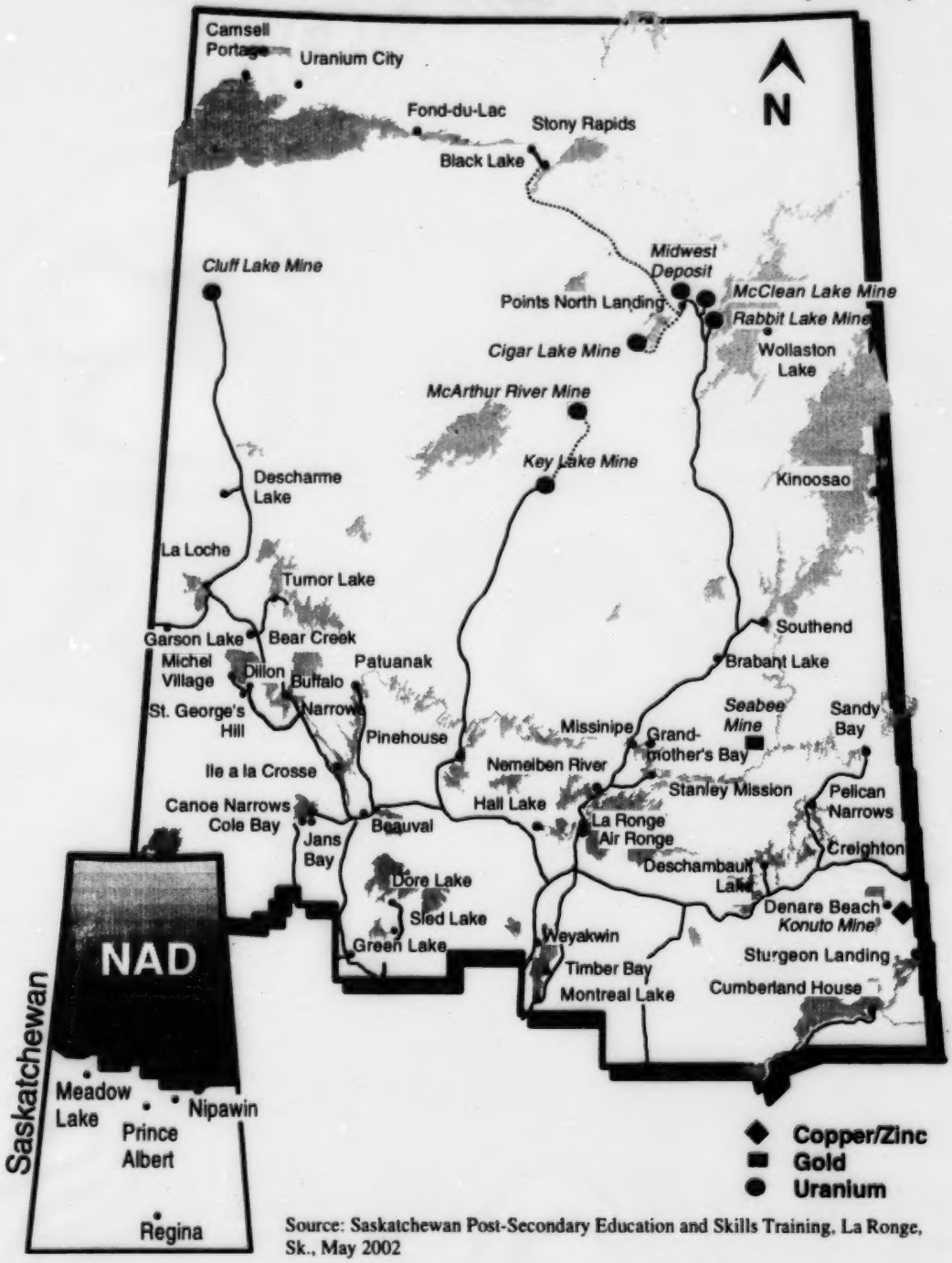
I have the honour of submitting the Annual Report of the Office of Northern Affairs for the fiscal year ending March 31, 2002.

Respectfully submitted,



Alan Parkinson
Deputy Minister

Northern Administration District (NAD)



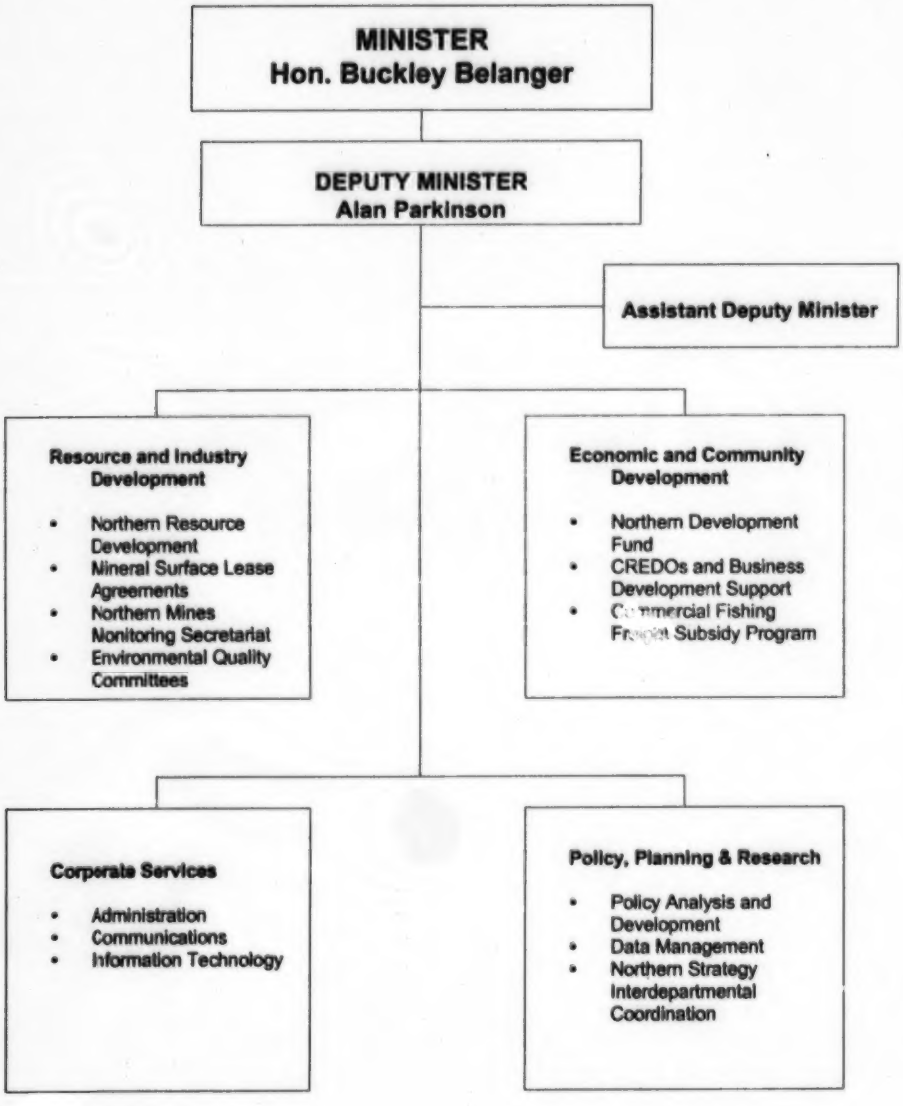
Source: Saskatchewan Post-Secondary Education and Skills Training, La Ronge, Sk., May 2002

Province of Saskatchewan

Dear Madam:

Organization Chart

As of March 31, 2002



Saskatchewan Northern Affairs Overview

Saskatchewan Northern Affairs (SNA), established in 1996 under the authority of the ***Northern Affairs Act***, was created to better advocate, monitor and coordinate provincial government planning, evaluation and programming in the Northern Administration District (NAD). Saskatchewan Northern Affairs' mandate includes responsibility for:

- Economic development programming and service delivery in the NAD;
- Assisting the development of specific sectors pertinent to the northern economy; (i.e. fisheries, tourism, mining, forestry)
- Policy development including implementation of the Northern Strategy;
- Coordination of interdepartmental activities, and brokering departments, communities and industry to resolve issues and better capture northern opportunities; and
- Coordination of provincial government communications with northerners and northern communities.

Specific program responsibilities include:

- Delivery of the Northern Development Fund (NDF) economic development programs including grants, loans, and business development services;
- Delivery of the Commercial Fishing and Freight Subsidy and Price Support Program;
- Negotiation and administration of Surface Lease Agreements for northern mines, including socio-economic, land tenure, environmental and occupational health and safety provisions, as coordinated with various provincial government departments and industry;
- Operation of the Northern Mines Monitoring Secretariat (NMMS), which coordinates provincial government activities pertaining to northern uranium mining and supports the activities of regional Environmental Quality Committees (EQC);
- Support for the operation of the mineral sector Multi-Party Training Plan in cooperation with the Northern Labour Market Committee (NLMC) and Saskatchewan Post-Secondary Education and Skills Training; and
- Support for the implementation of Saskatchewan's forestry industrial expansion program announced by the provincial government in 1999.

As part of its coordination functions, SNA is working with its northern partners as well as federal, and provincial government departments to implement the Northern Strategy. This key cross-government strategy aims to improve economic and social conditions for northerners through a series of goals and objectives adopted by the province and northern leaders in 1998.

SNA provides a central focal point for northern access to the provincial government. SNA is often contacted by Saskatchewan residents, northern communities and organizations seeking assistance, information or referrals on northern issues and interests.

Over the past year, SNA has supported a number of special initiatives including:

- The identification of infrastructure improvement priorities in the NAD, to be funded through the government's 2001-2002 Centenary Fund, in collaboration with other departments; and
- The delivery of special grants to assist northerners in the further development of key economic sectors in the North.

Organization and Structure

SNA has permanent offices in Regina and La Ronge and a satellite office in Creighton. Most of the staff are located in La Ronge though some executive management members are located in Regina to provide a liaison with the Minister of Northern Affairs and other government departments. SNA also has visiting offices in Beauval, and Buffalo Narrows.

Next Sections

The remainder of the Annual Report is divided into two parts. The first part covers SNA's 2001-2002 activities and accomplishments by departmental division. The last part of the report presents Saskatchewan Northern Affairs' Performance Plan for 2002-2003 and beyond.

Economic and Community Development Division

The Economic and Community Development Division of the Office of Northern Affairs provides financial and business support services to northern entrepreneurs, businesses, cooperatives, community development corporations, and other organizations. These services include the identification and evaluation of business opportunities, business plan development, financing through the Northern Development Fund (NDF) and other sources, organizational development, management counselling, business skills training, and other advisory services.

The division provides strategic and developmental assistance to a number of economic sector associations and participates in various interdepartmental and interagency forums, representing economic and business development interests in northern Saskatchewan. It also provides linkages to other government programs and services. These financial, professional, and technical services are vital in developing the northern economy and assisting northerners to successfully respond to potential business opportunities. These opportunities are in resource sectors such as forestry and mining, new and emerging industries such as special forest products and eco-tourism, and the traditional pursuits of commercial fishing, trapping and wild rice production.

Northern Development Fund

The NDF was established in February 1995 to stimulate economic and business development in northern Saskatchewan, and to facilitate northern job creation.

The Northern Development Fund provides:

- commercial loans to northern businesses;
- primary production loans to trappers, commercial fishers, and wild rice growers;
- grants for marketing, research, and development;
- grants for organizational development and business skills training;
- grants to encourage and support youth entrepreneurship; and
- financial support for Community-based Regional Economic Development Organizations (CREDOs).

During 2001-2002, the NDF's financial activity exceeded $2.6 million in loans and grants for northern business development and for support of CREDOs.

Loans

In 2001-2002, the NDF's loan program *(Figure 1)* supported economic and business development in the North, which included approval of:

- 27 commercial loans, totalling $1,264,774 and
- 76 primary production loans, totalling $520,388.

Syndicated loans represent an important collaboration among agencies involved with northern economic development. Such loans are increasingly being arranged to support larger economic development and diversification projects.

In 2001-2002, the NDF loan program assisted with the creation and maintenance of 112 jobs in commercial activities and in the primary production area. Eighty-eight jobs were created or maintained in seasonal harvesting activities in commercial fishing, trapping, and wild rice.

Cumulative activity since the NDF was established includes:

- $9.8 million in commercial loans;
- $2.09 million in primary production loans;
- principal repayments of $7.9 million;

- interest payments of $1.26 million;
- 468 commercial sector jobs created or maintained;
- 205 primary production jobs created or maintained; and
- 151 commercial businesses created or assisted.

Grants

During 2001-2002, the NDF supported marketing and research, and organizational and business skills development, through a grant program *(Figure 2)*, that included approval of:

- 44 grants for marketing, research, and product development totalling $343,255 assisting northerners in tourism, forestry, primary production, small manufacturing, heavy construction, and community/industry joint ventures;
- 13 grants for organizational and business skills development projects, totalling $39,479 supporting tourism operator training, local economic development seminars, planning and development for volunteer boards; and
- six youth entrepreneurship grants totalling $27,818.

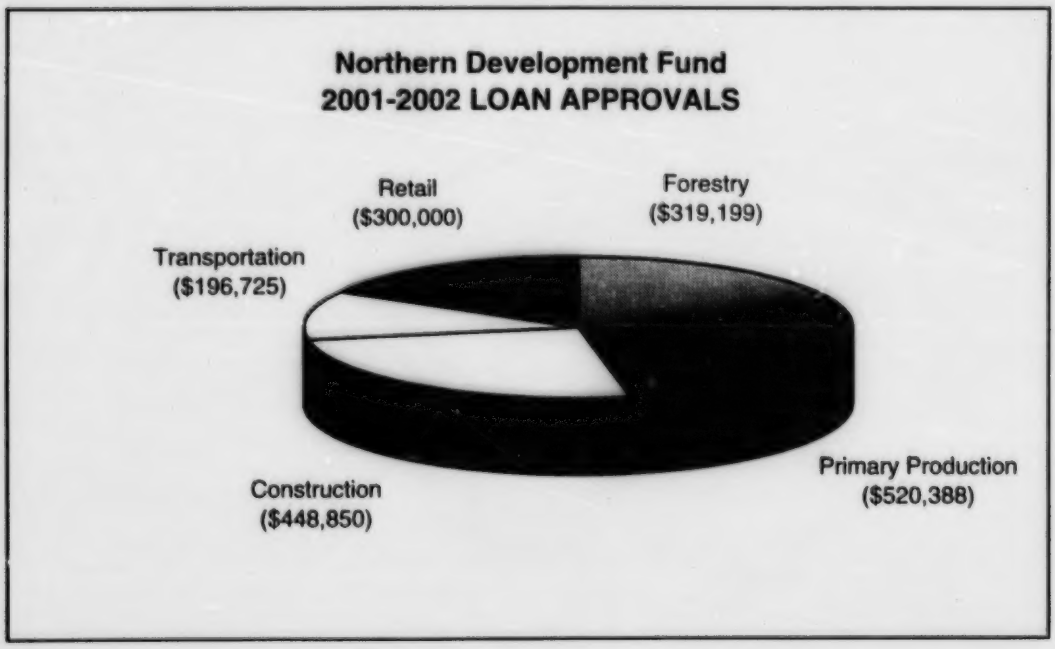


Figure 1: 2001-2002 Northern Development Fund loans summary by industry sector.

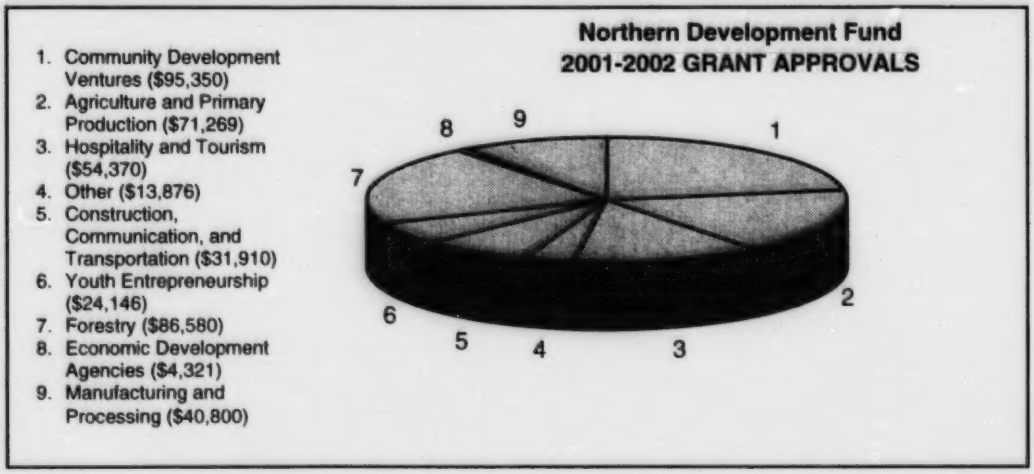


Figure 2 : 2001-2002 Northern Development Fund grants by sector. In addition to these, eight grants totalling $480,000 were provided in support of the 2001-2002 operations of the CREDOs.

These grants support a wide variety of northern projects, including such activities as:

- $15,000 to Kelvin McKay of Cumberland House for technical evaluation and assessment of a prototype single-leg tree stand hunting blind, including patent assessment and project feasibility analysis;

- $9,800 for phase one support to Pinehouse Business North Development Inc., a community development corporation, for the initial staking, sampling, and analysis of a limestone deposit in the area. Promising results led to phase two support in the amount of $14,000 for expanded survey and sampling and a detailed technical analysis of the samples. Feasibility assessment of full production is being investigated;

- $25,000 contribution to a study on the socio-economic impact and assessment of the potential completion of all weather roads in the Athabasca region, commenced by the Athabasca Economic Development and Training Corporation;

- $6,160 to the Saskatchewan Wild Rice Council to assist in securing blanket organic certification of all wild rice produced in the north-west and north-central regions, in support of product differentiation for international marketing;

- $8,540 for phase one assessment of the feasibility of a community-based retail co-operative in the community of Grandmother's Bay. The encouraging results led to awarding of an additional $5,110 for phase two business plan development, and the subsequent decision to proceed with development of their local store;

- $2,500 contribution to an ecotourism planning and awareness project for the Fond du lac Denesuline Nation. The project is in partnership with the Extension Division of the University of Saskatchewan and other developmental partners;

- $5,000 contribution to Northern Saskatchewan Tourism Inc., the regional tourism association, for support and sponsorship of two syndicated television episodes featuring northern Saskatchewan tourism products;

- $7,520 to the northern village of Beauval, as a contribution to a study and assessment of a proposed biomass fuel system for the village.

Centenary Fund

In 2000, the province created a four-year $120 million Centenary Fund to support provincial infrastructure improvements in preparation for the 100th anniversary, in 2005, of Saskatchewan becoming a province. The Centenary Fund includes provisions that, on average, a minimum of $5 million per year will be applied to projects in northern Saskatchewan.

During 2001-2002, SNA worked closely with other provincial government departments to consider priorities for Centenary Fund projects in the NAD. Projects that received funding included:

- The Forestry Incubator project in La Ronge that supported the development of harvesting, hauling and maintenance contractors associated with the province's forestry development plan; and
- Additional SOA Phase II studies that document economic development opportunities throughout various locations in the NAD.

More than $530,000 was provided from the Centenary Fund in 2001-2002 for projects in the NAD. Since the program began, the Centenary Fund has contributed more than $1.3 million to northern projects.

Community-based Regional Economic Development Organizations (CREDOs)

During 2001-2002, the NDF supported Community-based Regional Economic Development Organizations (CREDOs) in the NAD with operating grants totalling $480,000.

CREDOs were established to develop an improved capacity at the regional level for the delivery of grassroots community economic development services and initiatives.

CREDOs are legally incorporated as non-profit corporations and are regulated by *The Non-Profit Corporations Act.*

Members of a CREDO may include municipal governments, First Nations, development corporations, Métis organizations, and community-based developmental groups resident within the CREDO target region.

The CREDOs supported by the NDF during 2001-2002 included:

- Dazi Regional Development Corporation (representing Buffalo Narrows, Michel Village, St. George's Hill, and Turnor Lake);
- Three Rivers CREDO Board Inc. (Beauval, Cole Bay, Green Lake, Ile-à-la-Crosse, Jans Bay, Patuanak, and Pinehouse);
- Clearwater Regional Development Corporation (La Loche, Bear Creek, Black Point, Garson Lake, and Descharme Lake);
- La Ronge/Air Ronge Community Development Corporation (La Ronge, Air Ronge, and area);
- Central Cree Economic Development Corporation (Montreal Lake, Weyakwin, and Timber Bay)
- Creighton Regional Development Corporation (Creighton, Peter Ballantyne Cree Nation, and area);
- Northeast Economic Development Association (Cumberland House, Deschambault Lake, Pelican Narrows, and Sandy Bay): and
- Athabasca Economic Development & Training Corporation (Wollaston, Stony Rapids, Black Lake, Fond du Lac, Uranium City, and Camsell Portage).

Northern Review Board

The Northern Review Board (NRB) is comprised of experienced business people, leaders, and professionals from various northern communities. Board members provide liaison with northern communities in guiding the activities of the NDF. Board members during the year included:

MEMBERSHIP

- Rhonda Desjarlais of Cumberland House, Board Chairperson; former employee of Northcote Métis Development Corporation;
- Cornelius Ballantyne of Deschambault Lake: former Peter Ballantyne Cree Nation councillor;
- Laura Durocher of Buffalo Narrows: administrator of the Northern Village;
- Jimmy Laban of Black Lake: Black Lake Dené First Nation councillor;
- Teddy Clarke of La Loche: owner of Clarke's Northern Outfitters and employed at CHPN radio station;
- Rose Daigneault of Ile-à-la-Crosse: administrator of the Northern Village;
- Tammy Cook-Searson of La Ronge: Lac La Ronge Indian Band councillor and self-employed;
- Misty Willets of Creighton: homemaker; and
- Government representative, currently vacant.

Among initiatives of 2001-2002, the NRB:

- provided recommendations to the Minister on all commercial loan applications that exceeded the $25,000 threshold;
- provided advice and feedback to Northern Affairs staff on NDF policy and other matters related to northern economic development;
- reviewed and recommended revisions to the Northern Development Fund's policies and procedures; and
- strengthened the function of the Board by actively participating and providing recommendations to government on economic development interests in the North.

Commercial Fishing

Freight Subsidy and Price Support Program

The Commercial Fishing Freight Subsidy and Price Support Program supports the commercial fishing industry in northern Saskatchewan through two components:

- a freight subsidy to help equalize transportation costs for fishers throughout the North; and
- a price support mechanism to compensate for reduced prices or increased operating costs.

The freight subsidy helps offset high transportation costs for fish shipped from more distant and remote areas to the Freshwater Fish Marketing Corporation processing plant in Transcona, Manitoba. The Corporation is a federal Crown corporation.

During 2001-2002, support provided to the northern commercial fishing industry by SNA included:

- payments under the fish freight subsidy and price support program totalling $408,559; and
- an annual payment of $15,000 to the Freshwater Fish Marketing Corporation for administering the fish freight subsidy and price support program.

During 2001-2002, the program helped support more than 500 licensed fishers in northern Saskatchewan, each employing one to three people.

Commercial Fisheries Revitalization Strategy

SNA continued with the development of a Commercial Fishing Revitalization Strategy in order to sustain this vital industry for the benefit of northerners.

Strategy implementation is resulting in a strengthened commercial fishery in northern Saskatchewan. There were 17 lakeside infrastructure improvement projects undertaken through SNA's $700,000 contribution from the provincial Centenary Fund. The funding assisted in the revitalization and reactivation of many of the 29 commercial fisherman's cooperatives in the North. These investments, combined with increased prices, resulted in increased landings for northern fishermen.

SNA provided financial support to the Saskatchewan Commercial Fishermen's Cooperative Federation Ltd. (SCFCFL) for its operation. The funding made available the start of three studies examining specific opportunities in this sector.

As an extension of the Strategic Opportunities Assessment work under the Northern Strategy, an analysis began on the feasibility of revitalizing the Lake Athabasca fishery.

Under the strategy, two (previously referenced) analyses were completed. The Fish Processing Study explored the possibility of establishing a freshwater fish processing plant in Saskatchewan, rather than sending catches out of province for preparation and distribution. The study recommended establishment of a Saskatchewan-based fish processing facility.

SNA's Resource and Industry Development Division led the completion of a complementary Northern Aquaculture Study of increasing fish production in northern lakes. The study recommended a number of pilot projects to further advance this industry.

Resource and Industry Development Division

The division assists northerners, industry and governments to identify, plan and implement northern resource and industry developments affording long-term social and economic benefits in the North.

Specifically, the division:

- Negotiates and administers mineral surface leases for northern mining operations, and monitors the northern mining environment for opportunities to improve provincial policy and procedures;
- Assists northern interests in meeting the challenges and opportunities related to their involvement in the planned expansion of commercial forest harvesting and processing activities in the North;
- Provides policy advice to government on resource management initiatives and development projects that are targeted to, or may have implications for, the North;
- Fosters interdepartmental coordination in support of increased involvement by northerners in northern development decisions and projects, and effective and efficient policy and program delivery in northern Saskatchewan; and
- Liaises with other northern jurisdictions across Canada, through the Northern Development Ministers Forum, to monitor issues, trends and best practices in northern development that could apply to northern Saskatchewan.

Northern Industry Development

Mineral Surface Lease Agreements

Surface leases provide mine proponents with secure long-term land tenure and, in the case of uranium mine developments, ensure appropriate provincial regulatory control over environmental protection and worker health and safety. They address training, employment and other socio-economic benefits for northerners from northern mining operations.

The division acts as a broker, on behalf of Saskatchewan Environment and Resource Management and other provincial departments and agencies, in negotiating northern mineral surface leases, and administers, in cooperation with provincial departments and agencies, each lease for the life of the mine.

During 2001-2002, the division concluded renegotiations with Cogema Resources Inc. on new surface leases for its Cluff Lake, McClean Lake and Midwest Joint Venture uranium mine projects. The new leases are modelled on a new surface lease template for uranium mines, established in 1999 with the input of the Environmental Quality Committees. They reflect government and industry commitments made during the federal-provincial Uranium Review Panel process, current public policy and provincial regulations.

Given the importance of the mining industry to the northern economy, the division established a provincial working group of officials under the Northern Mines Monitoring Secretariat to address, as required, outstanding policy issues affecting the continued development of the industry in the North.

To ensure consistent treatment of northern mining operations, the division started discussions with provincial officials as to whether all mine surface leases in the North should be modeled after the new benchmark uranium mine surface lease template established in 1999. As other mine developers operating in the North tend to be junior companies with limited resources and capabilities and their projects are, generally, smaller scale with shorter life expectancies, officials agreed that the format and construction of their surface leases should parallel the uranium leases. Officials recommended the contents of these non-uranium mine surface leases reflect the realities such junior companies face.

Based on this direction, the division commenced negotiations with Claude Resources Inc. for a

new surface lease for its Seabee gold mine northeast of La Ronge. It is expected a new surface lease will be concluded early in 2002 to enable the company to construct a new tailings management facility and, thereby, to continue operations.

Surface lease administration involves numerous functions, including:

- Preparing property assignments, assignments of interest and assignments of leases as collateral security;
- Coordinating and processing legal surveys, and full or partial surrenders;
- Facilitating the resolution of issues arising among industry, government and the public; and
- Ensuring proponent compliance with mineral surface lease obligations.

The division continued to administer 14 surface leases for northern uranium, gold and copper mines in various stages of development, from construction through to post-decommissioning monitoring, including: Rabbit Lake, Midwest, Cigar Lake, McClean Lake, Cluff Lake, McArthur River, Key Lake and Beaverlodge uranium mines; the Parks Lake Tailings Management Facility at Rabbit Lake; the Contact Lake, Seabee, Jolu and Star Lake gold mines; and the Konuto copper-zinc mine near Denare Beach.

During 2001-2002, surface lease administration included:

- Coordinating provincial reviews/responses to requests from mining companies for approval of assignments of interest, surrenders and other documents;
- Responding to agencies' information requests; providing advice, preparing briefing notes and correspondence; and coordinating Ministerial approvals, as required;
- Guiding the development of, and receiving, reviewing and circulating, mining companies' annual northern business reports and forecasts; and liaising with colleague departments in monitoring, reviewing and undertaking follow-ups related to the reports and forecasts; and
- Continuing work with SERM, federal officials and mining companies to clarify requirements for former operating uranium mine sites for which companies seek release and the province's assumption of institutional control.

Northern Labour Market Committee

Through quarterly meetings, the Northern Labour Market Committee (NLMC) is the main forum for government, employers and other agencies to address training, employment and related economic development issues.

The NLMC identifies emerging labour market and economic development issues in northern Saskatchewan, and develops recommendations and initiatives to enable northerners to benefit from employment and economic opportunities.

Participation in the NLMC includes: federal, provincial, Aboriginal and municipal governments; Aboriginal and other non-government organizations; training institutes; economic development groups; the forestry, mining, construction and trucking industries; and related business services.

Sub-committees develop and implement action plans to address issues identified by the NLMC, and include: the Mineral Sector Steering Committee, the Northern Apprenticeship Committee, the Forestry Training Sub-Committee, the Education and Training Sub-Committee, the Gary Tinker Federation Sub-Committee, the Career Services Sub-Committee, the Northern Health Training and Employment Sub-Committee, the Oil Sands Sub-Committee and four regional training councils.

Beyond the role of the Deputy Minister co-chairing the NLMC, Northern Affairs' staff from three divisions participate in four of the NLMC's eight sub-committees focusing on northern resource development potentials and the critical role of education and training in realizing related opportunities. The NLMC affords an additional well-attended forum from which to update its more than 70 participants on the activities and initiatives of the Environmental Quality Committees.

Mineral Sector Multi-Party Training Plan

The Multi-Party Training Plan (MPTP) was developed and is implemented by the Mineral Sector Steering Committee of the Northern Labour Market Committee. It involves matching northern training programs with the projected employment needs of the northern mining industry.

The plan coordinates and funds training for northerners, helping to prepare them for jobs in northern Saskatchewan's mining industry. The first plan (1993-1998) provided $13 million in funding and in-kind contributions for a broad range of training related to the mineral industry. Building on the success of MPTP I, a second $13 million, five-year agreement was started in February 1999 and includes professional, job skill and technical training, retraining for existing employees, and support for entrepreneurs.

The plan represents a unique multi-stakeholder partnership among many public, private and non-profit organizations, including provincial and federal departments, Cameco Corporation, Cogema Resources Inc., Cigar Lake Mining Corporation, Claude Resources Ltd., Northlands College, Prince Albert Grand Council, Meadow Lake Tribal Council, and four Métis agencies including Jim Brady, Northcote Métis, Northern Region III Métis, and Methy Pathways.

The plan oversees assessment and selection of candidates, pre-employment training, skill training, job training, and ongoing retraining and job advancement. Mining companies participate in the planning process and in the selection of trainees, and attempt to hire all of the graduates. Mining project contractors and sub-contractors are committed to hiring and training northerners as part of the plan.

The plan achieved a major increase in the number of northerners in the gold and uranium mining industries, and helped increase the skill levels of northerners working at the mines.

From 1993 to 2001, the plan sponsored more than 2,490 enrolments in adult education, employment readiness, and technical and supervisory training, mostly delivered in the North through Northlands College. Eighty-nine per cent of the students were of Aboriginal ancestry.

Many northerners have gained rewarding careers as a result of training received through the plan. During 2001-2002, the number of northerners working for the mining companies and on-site contractors averaged 744, representing 50% of the northern mines' workforce. Eighty per cent of these northerners are of Aboriginal ancestry, the highest rate of Aboriginal employment in mining of any region of Canada. Other northerners are involved in mining-related employment such as construction and trucking.

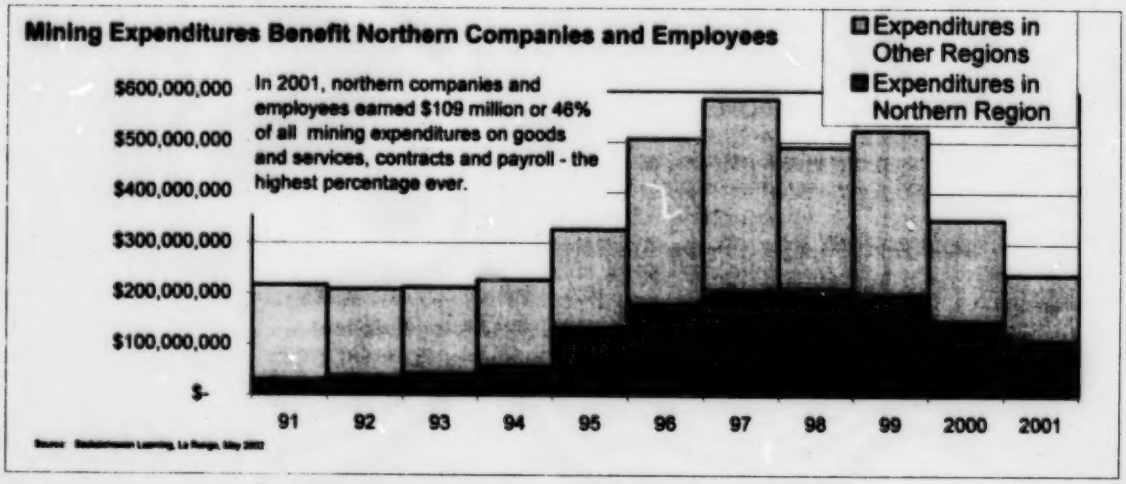


Figure 3: Value of northern business and joint venture contracts awarded by mining companies operating in northern Saskatchewan, 1991-2000.

Forestry Development

During 2001-2002, SNA continued work with SERM and Saskatchewan Economic and Cooperative Development and other members of the Interdepartmental Forestry Committee in advancing the development and implementation of Saskatchewan's comprehensive Forest Economic Development Strategy, announced in April 1999.

The province's forest economic development strategy is based on several key principles including: ecosystem sustainability, enhanced participation in the industry and in forest management by northern and Aboriginal communities, and expansion of Saskatchewan forest-products manufacturing into value-added markets.

Key for northerners are provisions, within the overall plan for development, that would see the Peter Ballantyne Cree Nation, Lac La Ronge Indian Band and Northwest Communities Wood Products representing the communities of Beauval, Green Lake, Ile-à-la-Crosse, Patuanak and Pinehouse Lake assume shared responsibility, within their respective partnerships, for three new long-term Forest Management Agreements. These agreements would ensure adequate wood supplies for the planned developments, with harvesting taking place in accordance with locally determined priorities.

Work over the course of the year involved continued liaison with other provincial and federal departments and agencies to develop specific strategies and action plans concerning: adequate wood supplies, financing requirements, ways and means to facilitate value-added developments, research and development, and the promotion of northern business development and employment opportunities.

Northern partners' progress in advancing discussions with prospective industrial partners and identifying specific mill development opportunities was hampered throughout the year due to the ongoing softwood lumber dispute with the U.S. The threat of introduction of high tariffs on Canadian softwood lumber exports to the U.S. resulted in a fundamental reassessment of the future long-term viability of, generally, smaller stand alone dimensional lumber mills.

The result has been a greater focus on the need to establish northern milling operations that would: be closely integrated with larger industrial fibre processing developments to the south; have strong ties to broader marketing capabilities; and afford the most flexibility in terms of allowing shifts of production over time to more value-added products.

Despite this setback in the anticipated timeline for realization of certain new northern forest projects, other developments and initiatives related to implementation of the overall provincial forest expansion strategy made progress over the course of the year.

The new Saskatchewan Forest Centre officially opened in Prince Albert in August 2001. In addition to SNAs' ex-officio seat on the Board, northern Saskatchewan's four northern forest industry interests are represented on its Board of Directors.

Green Lake Métis Wood Products completed construction of their new 60,000 m^3 sawmill, following a fire that destroyed their old mill earlier in the year.

Northwest Communities Wood Products Ltd. (NWC) concluded an operating support agreement with the provincial government and formally signed on with the Joint Venture Partnership that will be building a new OSB facility near Meadow Lake. Under new management and with an expanded community ownership including Buffalo Narrows and La Loche, NWC continued work on its multi-year strategic business plan. Its plan focuses on such future developments in the region as a new post processing/treatment plant, the construction of a new hardwood pallet manufacturing facility and the development (with Tolko) of a new centralized log sort/timber sales facility. The company began discussions with Green Lake Métis Wood Products and La Loche Wood Products on other possible business relationships, based on those communities' existing operations and future outlooks in the forest sector.

The Lac La Ronge Indian Band / Zelensky Bros. partnership continued internal planning towards the development of a future major sawmilling/ value-added processing facility and participated with NWC, La Loche Wood Products, SERM , and SNA in contracting the commencement of a

detailed landscape inventory for their respective wood supply areas.

Throughout 2001- 2002, SNAs' Economic and Community Development Division played an active role with SERM and three of northern Saskatchewan's four northern forestry development interests in initiating a landscape inventory to better determine the sustainable wood supply available for commercial development in the La Ronge, Besnard and Turnor supply areas. Project funding of $350,000 was provided, through Northern Affairs, from the Centenary Fund.
The resulting inventory information should be available by Summer 2002 to assist northern proponents to plan their forestry development activities.

A forest business incubator pilot project was started in January 2002 involving 12 forest harvesting and haul contractors from the northwest region. Through to late summer 2002, the selected contractors will receive intensive management support from experienced professionals in all aspects of their business operations – from bidding work, to financing/accounting and personnel management, to equipment sourcing/maintenance, to future business planning. The $150,000 project, supported by the Centenary Fund, is expected to achieve results that could lead to the establishment of a long-term forest incubator initiative.

Beyond these initiatives, Northern Affairs' attention focused on:

- Work with SERM and Economic and Cooperative Development to continue to develop the strategic agenda and key areas of initiative under the province's forest economic development strategy;

- Work with colleague departments, industry and northern partners to map out a specific long-term development plan for the forest industry on the NAD's west side; and

- The provision, with colleague provincial and federal departments and agencies, of critical organizational and pre-operational planning supports for various northern partners involved with expansion of the industry.

Special Projects

The division continued working with officials from Crown Investments Corporation, SaskPower, Saskatchewan Energy and Mines, Hudson Bay Mining and Smelting Co. Ltd. and four federal authorities to help the Peter Ballantyne Cree Nation (PBCN) complete a feasibility assessment of additional power production potential on the Churchill River. The PBCN has the results of the power market, preliminary engineering and project viability assessments under review, with an eye to now evaluating regional economic development opportunities within their traditional lands that could be enabled through investment in additional power generation in the region.

During 2001-2002, the division assisted SERM and the Lac La Ronge Indian Band to bring the proposed Sucker River Land Exchange initiative closer to conclusion.

In addition to facilitating working group meetings of the parties, division staff, together with SERM and Indian and Northern Affairs Canada officials, assisted the Band to meet various provincial and federal government requirements surrounding the proposed exchange of equivalent areas of existing Reserve and provincial park lands. Started in March 2000, it is anticipated all details and requirements surrounding the initiative should be completed in late 2002-2003 or early 2003-2004, enabling the land exchange to proceed. A successful land exchange would accommodate the expansion of the Lac La Ronge Indian Band's Sucker River Reserve #156C for social and economic development purposes.

Resource Development Coordination

In support of the SNA strategic plan's goals and to help strengthen social and economic benefits for northern residents, the division provided input during 2001-2002 on a variety of provincial policies, programs and strategic initiatives;

- PSEST's revisions to the generic model Human Resource Development Agreement used to ensure northern mining companies' efforts to increase the hiring, training and advancement of northerners and to increase the use of northern contractors and

businesses;

- SERM's draft Wild Rice Amendment Regulations, 2001;
- SERM's proposed policies for Commercial Outdoor Recreation of provincial Crown resource and park lands; and
- SERM's proposed Biodiversity Action Plan and Phase II Public Consultation Strategy.

The division analysed and also provided input on several project proposals, including:

- An Environmental Impact Statement for the development of a silica sand quarry and processing facility;
- Cameco's application to conduct a mill scale uranium recovery trial on its Fuel Services' recyclable products;
- Cogema's comprehensive study report on Cluff Lake decommissioning;
- Cogema's proposed McClean Lake Operation mill production rate increase;
- Claude Resources' Environmental Impact Statement for expansion of tailings management capacity at its Seabee gold mine;
- An Environmental Impact Statement for the disposal of Cigar Lake waste rock;
- an Environmental Impact Statement for a new oriented strand board plant near Meadow Lake; and
- La Loche Wood Products' sawmill project proposal;

The division maintained membership in a range of interdepartmental and multi-stakeholder committees and groups. These included: the Saskatchewan Mineral Exploration Government Advisory Committee; Northern Saskatchewan Environmental Industry Sector Partnership; SERM Co-management Improvement Steering Committee, Cumberland House Land Transfers Task Team, as well as continued participation in the Amisk-Atik, La Ronge, Athabasca Road Corridor, North Central and Pinehouse/Dipper northern land use planning tables. The land use planning process enables greater public involvement in the establishment of plans to best manage forested and other Crown lands.

Northern Development Ministers' Forum

Following reactivation of an annual meeting of Northern Ministers by Newfoundland and Labrador in 2000 in Goose Bay, SNA hosted the 2001 Northern Development Ministers Conference in La Ronge in September 2001. With the Lac La Ronge Indian Band as the facilities co-host, the conference provided an opportunity for federal, provincial and territorial ministers responsible for northern development to discuss various common issues surrounding social and economic development in the northern areas of Canada.

The La Ronge Conference resulted in Ministers' agreement to create a standing Northern Development Ministers' Forum with three priorities for action during the year leading to the 2002 Conference in Alberta. Priorities include the development of:

- an inventory of northern recruitment and retention best practices for private and public sector professions/skills;
- a 'northern awareness' enhancement campaign for southern decision makers and investors that highlights the contributions of northern regions to Canada's economy and the future opportunities that are still available in Canada's North; and
- documentation on key economic infrastructure investment opportunities and requirements in northern areas.

Beyond leading preparations for the 2001 Conference, through the Forum's Senior Officials Working Group, SNA continues to coordinate Saskatchewan input into work on the three priority action items and planning related to the 2002 Conference.

Northern Saskatchewan Environmental Quality Committee & Northern Mines Monitoring Secretariat

SNA established the Northern Mines Monitoring Secretariat (NMMS) and three regional Environmental Quality Committees (EQCs) in 1994-95, following the 1993 recommendations of the Joint Federal-Provincial Panel on Uranium Mining Developments in Northern Saskatchewan.

October 2001 represented the conclusion of the first year of the second five-year term of the initiative. In October 2000, a decision was made to renew the three previous regionally-defined EQCs as one overall advisory body – the Northern Saskatchewan Environmental Quality Committee. The objective was to further increase EQC representatives' information sharing and comparative evaluations of uranium industry developments. This more integrated approach to EQC operations has proven successful in 2001- 2002. The three original separate EQCs continue to maintain their important regional identities, however, operating as individual sub-committees.

The EQC is comprised of representatives of the "impact communities" as defined in the Human Resource Development Agreement (HRDA) negotiated for each uranium mine. Each impact community nominates one primary and up to three alternate individuals to represent the community on the EQC. Representatives are in place for all six of the Athabasca impact communities, 12 West Side impact communities and 19 impact communities deemed to be in the South Central region – this includes seven impact communities that are also members of the West Side EQC. Each EQC sub-committee elects its own chairperson.

The West Side EQC, chaired by Bobby Woods of Buffalo Narrows, is comprised of impact communities identified in the Cluff Lake Mine HRDA. The South Central EQC, chaired by Clifford Ray of Sandy Bay, represents impact communities associated with the Key Lake and McArthur River mines. The Athabasca EQC, chaired by Felix McDonald of Fond du Lac, includes impact communities related to the Rabbit Lake, McClean Lake, Midwest, and Cigar Lake mine projects.

The EQC initiative facilitates northern communities' communications with government and industry on uranium mining activities, including environmental protection, worker health and safety, and the socio-economic benefits afforded to northerners from northern mining operations.

Based in La Ronge, the NMMS consists of representatives of all provincial departments having a regulatory or developmental role in the uranium industry in northern Saskatchewan.

During 2001-2002, NMMS representation included provincial officials from: the Environmental Protection and Environmental Assessment Branches of Saskatchewan Environment and Resource Management; the Occupational Health and Safety Branch of Saskatchewan Labour; the Northern Branch of Saskatchewan Post-Secondary Education and Skills Training; the Northern Health Services Branch of Saskatchewan Health; and the Metallic Minerals Branch of Saskatchewan Energy and Mines. The Resource and Industry Development and the Economic and Community Development Divisions of Northern Affairs have membership on the NMMS.

Federal representation on the Secretariat includes: the Canadian Nuclear Safety Commission, the federal nuclear regulatory agency, and Indian and Northern Affairs Canada (INAC).

Chaired by the Executive Director of the Resource and Industry Development Division, the NMMS supports the work of the EQC and identifies opportunities for its representatives' strengthened involvement in monitoring northern uranium mining. The NMMS monitors its members' support for the EQC (and its proposed initiatives) and encourages improvements in these efforts, as required.

SNA manages the NMMS out of its office in La Ronge. The NMMS Manager coordinates and facilitates meetings and workshops for the EQC, maintains liaison with NMMS member departments and company officials in responding to EQC requests, provides information to the public, provides technical information, communication services and financial administration.

Uranium mining companies have continued to cooperate with and to support the NMMS/EQC initiative. Eight visits to different northern mine sites were arranged during the year to provide EQC representatives with first-hand opportunities to monitor companies' operations

and to have their communities' concerns and questions addressed.

With an eye to further strengthening and positioning the initiative to respond to future developments, an analysis of the EQC initiative started late in 2001- 2002. Results of the assessment, together with possible future options for further improving this Canadian 'best practice' in meaningfully involving northerners in decisions surrounding the development of a major resource sector, will be addressed early in 2002-2003 with member departments of the NMMS and other provincial authorities, as required.

Accomplishments of the Northern Mines Monitoring Secretariat

During 2001-2002, the Manager of the Northern Mines Monitoring Secretariat:

- Chaired the coordinating committee of the industry-sponsored Community Vitality Monitoring Partnership Process, culminating with the issuance of the process' third annual report and the successful delivery of three major initiatives. A *Healthy Food Cost Assessment Survey* was conducted in each region of the north in conjunction with a broader provincial survey of the same nature. The committee successfully delivered two Northern Youth Workshops – the first, in April 2001, focusing on northern community leaders' impressions of youth's concerns and the second, in March 2002, identifying northern youth's assessments of their communities' strengths (and required improvements). The second two-day workshop, hosted by Cameco at its Rabbit Lake mine, involved 34 young people from communities throughout the NAD.

- Coordinated more than 12 EQC meetings with representatives from NMMS member departments, outside agencies and uranium mining companies to explain responsibilities, programs and procedures such as monitoring schedules, results of environmental studies related to uranium mining, Environmental Impact Statement (EIS) reviews, and special interest topics such as community vitality;

- Communicated NMMS and EQC activities to the public through the production of an annual report, newsletters, radio reports and community meetings;

- Continued to produce and air a weekly radio program, *'You Were Asking'*, providing information in English, Cree and Dené on uranium mining and how it is regulated; and

- Participated as a member of various committees and working groups following up on provincial commitments to the 1991-1997 Joint Federal-Provincial Review Panel on Uranium Mining Developments in Northern Saskatchewan, such as the Cumulative Effects Working Group, the Mineral Sector Steering Committee of the Northern Labour Market Committee, and the Health Cumulative Effects Scientific Working Group.

Throughout the year, the NMMS Manager responded to nine requests for information and presentations on the NMMS and EQC, and other SNA initiatives related to the mineral industry, from agencies and governments across the country and abroad.

Accomplishments of the Environmental Quality Committee

During 2001-2002, the Environmental Quality Committee:

- Reviewed and commented on various documents, plans, and programs related to northern uranium mining operations, including:

  - The Cumulative Effects Monitoring Program (CEM) managed by SERM;

  - The Community Vitality Monitoring Partnership Process Youth Workshop;

  - Cameco's proposed waste rock storage proposal for the Cigar Lake project;

  - Cameco's Rabbit Lake project proposal to re-open its Eagle Point mine and decommission its D zone pit;

  - Cameco's proposal to release portions of their Beaverlodge property back to the institutional control of the Province; and

- Cogema's Cluff Lake migratory bird study.

- Toured the sites of six operating/proposed uranium mines, as well as five decommissioned uranium mines in northern Saskatchewan, and met with mine executives, managers and other site personnel to discuss their concerns;

- Participated in follow-up to the initial Environmental Impact Statement consultations regarding the decommissioning of the Cluff Lake mine;

- Participated in the field component of SERM's Cumulative Effects Monitoring Program by accompanying NMMS and SERM staff, as well as northern high school students, on a sample collection trip;

- Attended workshops on cancer and its various origins, community vitality monitoring, radiation protection, and decommissioning requirements and approaches; and

- Attended, along with NMMS staff, the Canadian Aboriginal Minerals Association conference in Whitehorse, Yukon, which focussed on the involvement of Aboriginals and their communities in mining.

Corporate Services Division

The Corporate Services Division provides administration, information technology and communications services in support of the mandate and activities of Saskatchewan Northern Affairs. The division contributes to SNA corporate planning and management, including measures in support of the Northern Strategy.

Communications

During 2001-2002, a variety of communications materials were produced including *Northern Focus* - a public newsletter that shares stories of how northern residents, organizations and communities have successfully used provincial government programs. The newsletter increases awareness and use of those programs by northerners.

A similar objective applies to the radio version of *Northern Focus*, produced during April-May and October-March. The weekly interview feature is heard throughout northern Saskatchewan on Missinipe Broadcasting Corporation.

A SNA Internet web site is maintained at www.northern.gov.sk.ca. The site provides information about the mandate and programs of SNA, provincial government tender and employment opportunities within the NAD, government news releases pertaining to the region, and the development and ongoing implementation of the Northern Strategy. The site provides on-line access to the Northern Saskatchewan Business Directory.

As well, a number of publications are available to the public through the web site including SNA annual reports, the *Northern Focus* newsletter and reports undertaken during the Strategic Opportunities Assessment part of the Northern Strategy.

Other communication services provided include preparation of news releases, brochures, the annual report, informational advertising, displays, and audio-visual presentations. Responses and referrals are provided for inquiries from the media and public, including requests made under *The Freedom of Information and Protection of Privacy Act*. Internal communications support includes event coordination, preparation of briefing materials, and speech writing.

Administration

SNA receives administrative support from Economic and Cooperative Development for accounts payable, expenditure records human resource records, and purchasing. Northern Affairs' annual budget is included within the Economic and Cooperative Development vote as approved by the Legislature. The 2002-2003 budget submission was coordinated with the development of SNA 2001-2005 Strategic Plan.

Information Technology

The division's Information Technology Coordinator provides systems support for SNA personnel, maintains the SNA web site, develops specific computer-based program applications as required, and provides liaison with other provincial government information technology agencies.

Policy, Planning and Research Division

Introduction

The Policy, Planning and Research Unit's overall purpose is to provide information, analysis, development and advice regarding various government programs. The unit strives to strengthen policy specific to the North. To achieve this end, the unit works with internal and external stakeholders to increase awareness and to improve access to opportunities. The unit is instrumental in providing overall policy support and, more specifically, responsible for the following functions:

- Overseeing the Northern Strategy's implementation and associated interdepartmental coordination;
- Leading the strategic planning process in close collaboration with colleague divisions of SNA;
- Providing corporate policy analysis and advice to the Minister, Deputy Minister and senior managers;
- Providing leadership and direction in the development and review of provincial policies, legislation, strategies and programs; and
- Undertaking and accessing research and trend analysis.

To address SNAs' responsibility to support government planning and performance measurement, the Policy, Planning and Research Unit was restructured in 2001-2002 to include a new research analyst position.

Northern Strategy

The Northern Strategy was adopted in 1998 in partnership with northern First Nations, the Métis Nation and northern municipalities. The Strategy includes five goals, 21 objectives and three enabling mechanisms as agreed to by the parties. SNA continues to work with its northern partners and federal and provincial government departments to implement a number of components of the strategy.

One of those components is a Canada-Saskatchewan Northern Development Accord and Agreement. The proposed Accord is a means to address recommendations arising from the 1997 report of the Joint Federal-Provincial Panel on Uranium Mining Developments in Northern Saskatchewan and the federal government's 1997 response to the Royal Commission on Aboriginal Peoples Report.

During this past year, SNA, Economic and Cooperative Development, and Intergovernmental and Aboriginal Affairs were successful in negotiating details of the Accord and Agreement. An official signing of the Accord and Agreement is anticipated in 2002.

Pending achievement of a federal-provincial Accord, the Minister of SNA appointed an Interim Northern Development Board (INDB) in 1998. The INDB was established to provide direction for the Strategic Opportunities Assessment to assist in development of the proposed Accord, and to further define the role and operations of the Board that would be established as part of the Accord.*

Strategic Opportunities Assessment Phase II projects completed in 2001-2002 included:

- **Fish Processing Study** to explore the feasibility of value-added processing of northern Saskatchewan freshwater fish in a Saskatchewan-based processing facility. The study was completed with encouraging results. It recommends the establishment of a freshwater fish processing plant in Saskatchewan.
- **Northern Aquaculture Study** to assess the feasibility of increasing fish

* The Strategic Opportunities Assessment consists of an analysis of key sectors of the northern economy to determine where public and private investment will achieve self-supporting economic diversification and job creation.

production in northern lakes to support expansion of the northern commercial fishing industry. The study was completed with a recommendation to proceed with a number of pilot projects, many of which were contemplated for northeast Saskatchewan.

- **Phase II of a Northern Tourism Development Plan** in partnership with Northern Tourism Task Team and Tourism Saskatchewan. The project involves community-based tourism workshops (with industry participants and other stakeholders) that will review results of the Phase I assessment and contribute to the development of a framework for a comprehensive tourism development plan for northern Saskatchewan.

SNA is planning to establish the second annual Deputy Minister's Forum on the Northern Strategy in the summer of 2002. The Assistant Deputy Minister's Steering Committee met periodically throughout 2001-2002 to report on progress on initiatives outlined as priorities from the 2001 Deputy Minister's Forum. Those initiatives are: an infrastructure assessment of the NAD, improved economic development in the North and improved social development in the North.

Members of the ADMs Steering Committee will report back on progress in these areas at this year's Deputy Minister's Forum.

Saskatchewan Northern Affairs is also responsible for developing an annual Northern Strategy Progress Report, and the Northern Strategy Interdepartmental Strategic Plan.

Members of the Interim Northern Development Board as of March 31, 2002:

SASKATCHEWAN ASSOCIATION OF NORTHERN COMMUNITIES (New North):
Mayor Max Morin, Ile-á-la-Crosse – Board Co-chair
Mayor Wilfred Boychuk, Creighton
Mayor Georges Mercredi, Stony Rapids (A)

PRINCE ALBERT GRAND COUNCIL
Grand Chief Gary Merasty, Prince Albert – Board Co-chair
Vice Chief Emil Hansen, Prince Albert
Don Deranger, Prince Albert (A)

MEADOW LAKE TRIBAL COUNCIL
Chief Elmer Campbell, Dillon
Vice Chief Gordon Billette, Meadow Lake
Vern Bachiu, Meadow Lake (A)

MÉTIS NATION - SASKATCHEWAN
Al Rivard, La Ronge
Alex Maurice, Beauval
Norman Hansen, Buffalo Narrows
Dale McAuley, Cumberland House
Bobby Cheecho, Cumberland House
Allen Morin, Ile-á-la-Crosse (A)

ATHABASCA ECONOMIC DEVELOPMENT AND TRAINING CORPORATION
Glen Strong, Wollaston Lake
Terri Daniels, Wollaston Lake
Geoff Gay, Wollaston Lake (A)

GOVERNMENT OF SASKATCHEWAN
Alan Parkinson, Deputy Minister, SNA
Jim Bogard, Director, SNA (A)
Donovan Young, A/Assistant Deputy Minister, IGAA

GOVERNMENT OF CANADA
Roy Bird, Regional Director-General, INAC
Larry Ellis, INAC
Ray Gamracy, INAC (A)

(A – Alternates)

Interdepartmental Policy Coordination

In 2001-2002, the unit continued to be involved in a number of interdepartmental working groups and committees to help ensure that northern issues are addressed in the development of government-wide program plans and policy.

During 2001-2002, the interdepartmental working groups and initiatives in which the Unit participated included the: Child Action Plan, Métis and Off-Reserve First Nations Working Group, Housing Strategy Committee, Disability Issues Committee, Northern Human Services Partnership,

Northern Labour Market Education and Training Sub-Committee, Performance Measurement Network, Northern Strategy Task Teams, and the Legislative and Regulatory Review Committee.

Strategic Planning

During the 2001-2002 fiscal year Saskatchewan Northern Affairs continued to develop its long-term strategic plan to better achieve its departmental mandate and the goals and objectives outlined in Saskatchewan's Northern Strategy.

Saskatchewan Northern Affairs will work closely with the government's Performance Management Branch at Saskatchewan Finance to ensure strategic planning is developed properly, and in concert with goals and objectives at the provincial level.

Building on these initiatives, the following section presents Saskatchewan Northern Affairs' Performance Plan for 2002-2003 and beyond. It outlines the department's vision for the future of northern Saskatchewan, the strategic goals and objectives that we will work toward to achieve this vision, and some key activities we will undertake in 2002-2003 to move these objectives forward. The performance plan is part of SNA's broader efforts to increase departmental accountability on programs and services. In future years, the department's annual report will assume a similar objective-based breakdown to ensure a clear connection between activities planned and achievements reported.

Financial Report

	2001-2002 Estimates	2001-2002 Actuals	Notes
Northern Programs Management			
Minister's Office	338,000.00	284,704.48	
Deputy Minister's Office	409,500.00	426,462.64	
Special Projects	90,000.00	98,913.39	
Executive Director, Corporate Services	97,000.00	49,459.83	
Communications and Public Information Services	171,600.00	122,858.16	
Northern Database Services	61,700.00	65,793.64	
Business Management Services	409,200.00	433,535.72	
	1,577,000.00	1,481,727.86	1
Northern Strategy			
Assistant Deputy Minister	205,000.00	247,837.50	
Policy, Planning & Research	161,000.00	115,606.36	
Interim Northern Development Board	200,000.00	157,599.07	
	566,000.00	521,042.93	2
Resource and Industry Development Division			
Resource and Industry Development	318,400.00	227,355.10	
Northern Mines Monitoring Secretariat	101,600.00	134,956.45	
Environmental Quality Committees – Athabasca, West Side, South Central	108,000.00	45,486.79	
	528,000.00	407,798.34	3
Economic and Community Development Division			
Executive Director	106,300.00	53,142.15	
Northern Review Board	20,000.00	21,755.45	
Northern Business & Community Economic Development	726,700.00	824,680.21	
	853,000.00	899,577.81	
Northern Development Fund			
NDF Loan Loss Provision	830,000.00	498,873.96	
CREDOs	480,000.00	450,430.54	
Marketing & Research	250,000.00	364,846.69	
Organizational Skill Development	70,000.00	42,145.09	
Youth Entrepreneurship	50,000.00	19,735.07	
Economic Development Projects	50,000.00	40,000.00	
	1,730,000.00	1,416,031.35	4
Commercial Fishing Freight Subsidy and Price Support Program	305,000.00	423,559.07	5
Saskatchewan Northern Affairs Total	**5,559,000.00**	**5,149,737.36**	

Financial Report Notes

1. Northern Programs Management division expenses were less than original estimates primarily due to staff vacancies.

2. Northern Strategy expenses were less than original estimates because $50,000 was set aside and frozen pending the formal appointment of the Northern Development Board Corporation. This formal appointment should take place in the new fiscal year (2002-03).

3. Resource and Industry Development Division expenses were less than original estimates primarily because of a staff vacancy.

4. Northern Development Fund expenses were less than original estimates because:

    - Some of the CREDOs dissolved their existence and/or suspended their activity prior to fiscal year-end.

    - there was a limited requirement to provide for Northern Development Fund loan losses; and

    - although increased funding was provided for Marketing and Research and Organizational Skill Development grants, this was offset by limited provision of grants for Organizational Skill Development, Youth Entrepreneurship and Economic Development Projects.

5. Additional expenses were incurred due to increased activities in the commercial fishing industry owing, in part, to the Commercial Fisheries Revitalization Strategy.

Contact Information

For more information on the programs and activities of Saskatchewan Northern Affairs, contact:

Saskatchewan Northern Affairs
Box 5000
LA RONGE, SK S0J 1L0
Telephone: 306 425-4200
Facsimile: 306 425-4349
e-mail: sna@sna.gov.sk.ca
Web: www.northern.gov.sk.ca

Northern Development Fund
Toll Free 1-866-663-4065
Telephone (306) 425-4261
Fax (306) 425-4267

Northern Mines Monitoring Secretariat
1-800-577-2668

Communications
5th Floor, 1919 Saskatchewan Drive
REGINA SK S4P 3V7
Telephone (306) 787-5061

2002-2003 Performance Plan – Saskatchewan Northern Affairs

Overview

We are pleased to present the SNA Performance Plan for 2002-2003 and beyond. The Plan addresses the major issues facing northerners today and outlines our responses to these issues. In conjunction with this government's fiscal and social policies, in the year ahead, Northern Affairs will continue to work toward building more sustainable northern communities and improving the quality of life in the North so that individuals and communities are more self-reliant.

This is the department's first performance plan made available to the public. While the plan is an excellent start, over the next year we will continue to amend and solidify it, with input from our key stakeholders in government and in the North, to reflect the results of SNAs' internal review and reorganization exercise. As part of this process, Northern Affairs is identifying its strategic priorities and direction. We are pinpointing the key functions and gaps we should fulfill to make the most of our resources, to move key northern economic development opportunities forward, to increase government effectiveness in the North, and to enhance what other departments and partners do. To gauge our future success and improve our responsiveness, SNA will identify specific measures to be achieved through our activities. These measures will be included in future public performance plans and will provide greater public accountability for department activities.

SNA is committed to the actions outlined in this performance plan.[1] We look forward to working with our partners in their realization, and to reporting back to you a year from now on our progress.

2002- 2003 Budget Overview

The 2002-2003 budget for Saskatchewan Northern Affairs provides financial support for the initiatives in this plan. The budget focuses on further development of several programs specific to the North.

The following table gives a breakdown of SNA 2002-2003 budget.

Saskatchewan Northern Affairs
2002-2003 Budget by Category
(in thousands of dollars)

Northern Programs Management	$1,218
Northern Strategy	$366
Resource and Policy Development	$596
Economic and Community Development	$853
[2] Northern Development Fund	$1,000
Northern Commercial Fish Transportation Subsidy	$445
Total	$4,478

Trends and Issues

SNA's jurisdiction is the Northern Administration District (NAD), generally known as the area north of the 54th parallel. The NAD represents about half of the province, geographically. It is approximately
320 000 square km in area and includes a variety of distinct regions based on geography, resource base, population, community and business service development, and human history. This variety makes the delivery of provincial government services in the NAD challenging. Specific trends and issues influencing development in the NAD as well as some opportunities for potential development are outlined:

[1] Many of the actions listed are part of continuing initiatives from 2001-2002. For further information on these initiatives and SNA's role in their delivery, please refer to the pertinent sections of the 2001 – 2002 Annual Report.

[2] Includes support for the NDF loan loss program, CREDOs and the NDF grant program. In addition to the above amounts, Northern Affairs also administers a $3 million loan fund under the NDF loan program (non-budgetary item).

Population Trends and Development Challenges

According to 1996 Census data, the population of northern Saskatchewan was approximately 34,000. It is estimated that 81% of that population is of Aboriginal ancestry – Cree, Dené and Métis. The northern population is growing at a faster rate than the rest of Saskatchewan, but has generally lower levels of employment, labour force participation and education.

There is concern that northerners are not well positioned to take advantage of existing or potential economic opportunities in northern Saskatchewan. Isolation, limited community and regional infrastructure, poor access to financial services, and inadequate equity investment are among the obstacles to economic development faced by northerners. In addition, barriers to advanced education, skill development and workplace experience, combined with relatively few local employment opportunities, impede northerners, particularly youth, from realizing their full potential.

Economic Opportunities

Economic opportunities exist through forestry, mining, tourism, construction, human services and traditional resource use activity. However, much of the population of the North does not have the means to identify, develop, or take advantage of these opportunities. Assisting northerners to do so will continue to be essential to northern development.

More specific opportunities within the key sectors SNA is involved in are outlined ahead.

a) Forestry

Saskatchewan's forest sector continues to hold the potential for hundreds of new employment and business opportunities for northerners over the next several years. Continued implementation of Saskatchewan's commercial forest sector expansion strategy will provide jobs for northerners for years to come.

b) Mining

SNA continues to negotiate and administer surface lease agreements for all mining operations in the NAD. Surface leases reinforce companies' obligations to meet Saskatchewan environmental protection and worker health and safety standards at their mine sites. They set a framework for mining companies and government agencies to work together to help northern employees, contractors and businesses realize maximum benefits from these operations.

c) Tourism

The provincial government is endeavouring to take a more coordinated approach to tourism planning and development in northern Saskatchewan. A growing demand for Aboriginal culture experiences and outdoor adventure offer potential for northern tourism operators. To stimulate a growth in tourism and properly sustain it, the NAD needs to develop a comprehensive tourism development and marketing strategy, more diverse facilities, and a well-trained workforce.

d) Traditional Resource Use Activity

Overall resource harvesting provided northerners with more than $10 million in the year 2000. The sector holds a number of opportunities for development, but faces barriers of long distances to markets, small quantities of product, low/variable prices, minimal marketing and promotion, and few entrepreneurs with international sales connections.

Saskatchewan's commercial fishing industry is one area being assessed by the province and the industry for potential growth and revitalization. New approaches to aquaculture, marketing and processing may also support expansion in future years. The wild rice industry is another potential area for growth. This industry, although weather-dependent, has the advantage over other special forest products by having a marketing structure, modest research and development, and an organic certification strategy that could improve returns to growers.

Where we are headed, what we intend to do

This performance plan outlines our vision for the future of northern Saskatchewan, the strategic goals and objectives that we will work toward over the next several years to achieve this vision, and some key activities we will undertake in 2002-2003 to help achieve our objectives.

Our Vision

Northern residents and communities will have opportunities to improve their quality of life and increase their self-reliance. With a greater capacity to create a viable social and economic future for themselves, northerners will take a greater role in the social and economic development of their communities and their regions.

Our Goals

Saskatchewan Northern Affairs will work in three broad goal areas to help realize our overall vision for the North.

Goal 1: Self-reliant residents and communities in the North

Goal 2: A viable and sustainable northern economy

Goal 3: Responsive and effective government in the North

The goals and objectives reflect the areas of activity in which SNA can undertake direct action, as well as areas where the department's role is more of an advocate, coordinator and facilitator, particularly among government departments, industries, businesses, and key stakeholder groups in the North. Although SNA is able to influence factors that critically affect northerners, there are variables, such as market trends in mining and forestry that are beyond the department's control.

The next section outlines the key actions related to SNA goals and objectives.

Goal 1 - Self-Reliant Residents and Communities in the North

Objective 1: Greater local involvement in community and development planning and decision making in the North

Northerners need to have greater local and regional input into decision making in the NAD. Northerners need to be better represented in public advisory and decision-making roles and to know their views and concerns are put forward.

Although substantial progress has been made toward having decisions affecting northerners made in the North, local planning and decision-making initiatives need to be further promoted and supported in the NAD. Effective northern representation on local committees and boards is essential in public decision making efforts, especially their representation on the Northern Labour Market Committee (NLMC). Proper accountability and communication structures between committees and stakeholder groups are critical.

Key Actions for 2002-2003

- Advocate and support increased and effective participation of northerners in key decision-making bodies that address development opportunities and challenges in the North, including:
  - Northern Labour Market Committee
  - Environmental Quality Committee
  - Northern Review Board
  - Interim Northern Development Board
  - Regional Planning Councils
  - Athabasca Economic Development and Training Corporation (AEDTC)
  - Land Use Planning tables
- Engage northern stakeholders in the design, development and implementation of new regional economic development vehicles.
- Implement and deliver community and regional tourism planning workshops, as part of Phase 2 of the Northern Tourism Task Team initiative.

Objective 2: Improved ability for northerners to access the workforce (Employability of northerners)

Limited education, skill development, workplace experience and access to training impede the ability of northerners to compete for jobs even within their own region. Northerners need access to relevant training to effectively participate in the workforce. They need opportunities to gain essential skills and experience to compete for jobs. SNA will continue to support initiatives designed to develop innovative and responsive solutions to job-related training in the North.

Key Actions for 2002-2003

- Co-chair the Northern Labour Market Committee (NLMC).
- Support the Northern Labour Market Education and Training sub-committees in forestry, the mineral sector, and the oil sands.
- Work with the NLMC, industry sectors, and northern educational institutions to increase the number of training programs such as the mineral sector Multi Party Training Plan.
- Advocate the development of education and training initiatives with key government departments.

Objective 3: Increased workforce participation and employment levels in the North

Developing a skilled labour force and enabling northerners to play a more active role in the northern economy requires more than training. Economic opportunities exist through mining, forestry, tourism, construction, and human services, but most northerners lack the means to identify or take advantage of these opportunities. Northerners need better access to information about employment opportunities. Industry, businesses and government must also play a role by communicating human resource needs better, taking part in the development or delivery of job-related training and apprenticeship programs, and supporting the participation of northerners in their workforce.

SNA will continue to work with northerners and industry to ensure northerners are active participants in key resource sectors such as mining and forestry.

Key Actions for 2002-2003

- Assess and review the *Northern Hire Policy* to improve training and recruitment initiatives within the public sector.
- Ensure that northern participation in the mining work force is maintained.
- Ensure northern community issues and interests are addressed as part of the implementation of the Forest Economic Development Strategy.
- Undertake initiatives aimed at promoting, facilitating and stimulating economic and business development including activities listed under Goal 2.

Goal 2 - A Viable and Sustainable Northern Economy

Objective 1: An expanded and diversified northern economy

A strong and diversified northern economy will improve the quality of life for northerners by offering more diverse employment options and increasing local resilience to market fluctuations. The number of businesses in the NAD and the number of businesses owned by northerners are indicative of how strong the local economy is. SNA will work with government, private industry and the public sector to facilitate and stimulate business development in the NAD.

Key Actions for 2002-2003

- Coordinate the development of a Northern Forest Opportunities Realization strategy related to timber and non-timber forest products.
- Support the development of northern forestry businesses, and the implementation of a long-term forest business incubator.
- Implement goals of the Saskatchewan Commercial Fisheries Revitalization Strategy, including supporting the development of a Saskatchewan-based fish processing facility and providing continued support and assistance to local and regional sectoral organizations.
- Support of the tourism industry, in part through the development of a tourism development framework as part of the Northern Tourism Task Team initiative.

Objective 2: Increased management and ownership of businesses by northerners

The number of businesses owned and managed by northerners in the Northern Administration District is important to the long-term economic success of the region.

Through ownership and operation of northern businesses, northerners are more actively involved in the local economy, work force and community. Keeping a greater portion of business revenues in the North encourages more spending locally and reinvestment in the community, which in turn fosters more resilient and diversified economies.

Key Actions for 2002-2003

- Increase the number of viable business development proposals by northerners supported through the Northern Development Fund's (NDF) loan and grant programs.
- Further promote the NDF grant and loan programs to encourage a higher participation rate in both initiatives.
- Consult and encourage other government departments and industry operations to use *Opportunity North* and other northern communication vehicles to promote commercial development opportunities in the North.
- Support specific northern forest sector business development partnerships.

Goal 3 - Responsive and Effective Government in the North

Objective 1: Improved transparency in provincial government planning, programming, and evaluation of northern initiatives

Public reporting on northern initiatives is an essential part of improving transparency and public accountability. This can be accomplished through a variety of reporting vehicles including:

Newsletters, radio and advertising or SNA programs and initiatives.

These communication tools will help northerners better understand the provincial government programs and initiatives carried out in the North and available to them.

Key Actions for 2002-2003

- Provide information to the public on opportunities in the North and SNA programs or initiatives through various media including: SNA's *Northern Focus* newsletters and radio program, the publication of a four page insert bulletin in each issue of *Opportunity North.*
- SNA will produce a public report on recent social and economic accomplishments in the North.
- Develop a comprehensive communication strategy and action plan. Efforts will focus on increasing public knowledge and understanding of government programs.
- Together with Saskatchewan Environment, SNA will provide regular updates on progress in implementing the 2000 Saskatchewan Commercial Fisheries Strategy.
- Continue to involve the Environmental Quality Committee (EQC) in the review and evaluation of potential changes/improvements to Saskatchewan government policies and procedures related to the regulation and development of the northern mining sector.

Objective 2: Strengthened communication of government programs in the North

Effective communication about existing government programming is key to the overall success of such programs. Existing communication vehicles need to be enhanced to more effectively raise awareness levels of government programs in the North.

Key Actions for 2002-2003

- Ensure that the information provided is broad based and includes data gathered from a number of provincial government departments.
- Produce a public report on recent social and economic accomplishments in the North.
- Assess existing communication tools to ensure they enhance public information about government programs in the North.

Contact Information

If you have questions or comments about the Performance Plan, or would like additional copies, please contact:

Communications Director
Saskatchewan Northern Affairs
5th Floor, 1919 Saskatchewan Drive
REGINA, SK
S4P 3V7
306-787-5061

Visit us online at:
http://www.northern.gov.sk.ca/index.html